

## WHOLESALE TRADE

## BASIC MATERIAL WHOLESALING MACHINERY AND EQUIPMENT WHOLESALING MOTOR VEHICLE AND MOTOR VEHICLE PARTS WHOLESALING GROCERY, LIQUOR AND TOBACCO PRODUCT WHOLESALING OTHER GOODS WHOLESALING COMMISSION-BASED WHOLESALING

ANZSIC: 3311 - 3800

### Regulatory and/or Licensing Bodies

- The Competition and Consumer (CCA) covers most aspects of the marketplace: dealings with suppliers, wholesalers, retailers, competitors and customers.
- In WA the Department of Commerce administers the *WA Fair Trading Act 2010*.

### INDUSTRY DEVELOPMENTS AND WORKFORCE CHALLENGES:

#### 1. Existing and anticipated supply and demand for skills:

- As at June 2018, there were 6,419 small businesses classified under the Wholesale trade in WA.<sup>i</sup>
- With the continual rise of omni-channel logistics that facilitates a smooth end to end customer experience, it is anticipated that Business to Business (B2B) online retail will surpass that of the Business to Consumer (B2C) online market by 2020.<sup>ii</sup> The customer centric ethos drives the need for organisations to continually innovate and develop more flexible fulfilment networks.
- It is anticipated the Wholesale Trade workforce will increase to 27,600 nationally by 2023 from 24,800 in 2018. New positions are likely to come from new jobs being created, but most will come from turnover (i.e. workers leaving). Within the next 5 years it is estimated there will be approximately 11,000 job openings.<sup>iii</sup>
- Due to the invisibility of the wholesale industry, there is an insufficient amount of career information available to attract people to this industry. This is due to the sector traditionally operating behind the scenes and not dealing directly with customers.<sup>iv</sup>
- Ongoing efforts to revamp multiple online platforms have been costly for organisations.<sup>v</sup> This has been done to minimise cost increments, retain market share and compete within a global marketplace.<sup>vi</sup>
- Globalisation of the supply chain has altered the role of the Wholesaler. It now requires greater knowledge of international markets and its impacts on the supply chain in sourcing goods.<sup>vii</sup>
- Blockchain and the Internet of Things within the supply chain has created the need for new skills such as data analysis and problem solving. This enhances business capability to assess and anticipate client needs. Given the nature of the industry, customer services will continue to have an important role to play throughout the ordering process.<sup>viii</sup> This will also assist with order processing and fault finding.
- With the new focus on a global supply chain, wholesalers will need to have knowledge of licencing and regulatory requirements for the products they are moving but do not necessarily require those licences (ie dangerous goods).<sup>ix</sup>
- There is a growing demand for the use of skill sets as a faster means of equipping workers with the relevant skills as job roles change (due to policy or technology/innovation).<sup>x</sup>
- Although a VET qualification exists for wholesaling (B2B sales) industry prefers to undertake in-house training as opposed to formal qualifications.<sup>xi</sup>
- In addition to the competencies mentioned above, other skills include relationship building, critical thinking and conflict resolution.<sup>xii</sup>
- Industry also identified Language, Literacy and Numeracy (LLN), digital literacy, managerial/financial knowledge and organisational/administrative skills as needing to be better addressed in VET training programs.<sup>xiii</sup>

## 1. Emerging international, national or State training issues impacting your industry

- Typically within this sector there is a high volume of tertiary level qualifications than what is required for the roles. Due to the segmented nature of the industry, it needs specific training which is customised to meet market needs.<sup>xiv</sup>
- The ability to interpret data is becoming a highly sought after skill. The challenge now is to interpret the information at hand and utilise it to meet and anticipate customer needs.<sup>xv</sup>
- Organisations will require a very highly skilled workforce that can adapt to changing customer needs and preferences. As businesses are now dealing with global wholesalers, they will need to be aware of all aspects of the supply chain to ensure that they are able to deliver on what they are promising.<sup>xvi</sup>

### INDUSTRY WORKFORCE PRIORITIES:

#### Strategic directions, policies and priorities for industry

- In a global market place, industry will need to become more strategic in the delivery of its service offerings as expectations in the e-commerce market evolve (i.e. 24/7 sales channels).<sup>xvii</sup>
- Organisations are aiming to achieve better resource allocation outcomes. Higher levels of accuracy and efficiency are more likely to be attained through improved integration and of real-time data analysis and customer/client interfaces.<sup>xviii</sup>
- Industry is actively seeking to apply and promote strategies to diversify its workforce.<sup>xix</sup>

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<sup>i</sup> WA small business by industry. Accessed from:

<https://www.smallbusiness.wa.gov.au/facts-and-statistics-accessible-version> 19.02.19

<sup>ii</sup> Logistics trend Radar, version 2018/19. Accessed from: [http://dhl.lookbookhq.com/ao\\_product\\_transportation/whitepaper\\_logistics-trend-radar?utm\\_source=Eloqua&utm\\_medium=Eloqua-LP&utm\\_campaign=Transportation2018&utm\\_content=Always-On&sfid=701440000012aBcAAI](http://dhl.lookbookhq.com/ao_product_transportation/whitepaper_logistics-trend-radar?utm_source=Eloqua&utm_medium=Eloqua-LP&utm_campaign=Transportation2018&utm_content=Always-On&sfid=701440000012aBcAAI)

<sup>iii</sup> Importers, Exporters and Wholesalers, Prospects. Accessed from: <https://joboutlook.gov.au/Occupation?search=alpha&code=1333> [Last accessed on 30 August 2019]

<sup>iv</sup> Industry Consultation 2019

<sup>v</sup> 2018 Supply chain Trends for the wholesale distributor. Accessed from:

<https://www.eazystock.com/blog/2017/12/12/2018-supply-chain-trends-wholesale-distributor/> 27.02.18

<sup>vi</sup> Industry Consultation 2019

<sup>vii</sup> Industry Consultation 2019

<sup>viii</sup> Industry Consultation 2019

<sup>ix</sup> Industry Consultation 2019

<sup>x</sup> Industry Consultation 2019

<sup>xi</sup> Industry Consultation 2019

<sup>xii</sup> <http://apollopd.com/leadership-development-wholesale-distribution-industry/> 30.07.18

<sup>xiii</sup> Industry Consultation 2019

<sup>xiv</sup> Industry Consultation 2019

<sup>xv</sup> Deloitte Access Economics: The Future of Work: Occupational and Educational Trends in Supply Chain Logistics in Australia, January 2018

<sup>xvi</sup> Industry Consultation 2019

<sup>xvii</sup> Industry Consultation 2019

<sup>xviii</sup> Three priorities wholesale distributors should focus on. Accessed from :

<https://www.insideretail.com.au/news/three-priorities-wholesale-distributors-should-focus-on-for-2018-201712> 31.07.18

<sup>xix</sup> Industry Consultation 2019